




# City of Loma Linda Official Report

Floyd Petersen, Mayor  
Karen Hansberger, Mayor pro tempore  
Robert Christman, Councilmember  
Stan Brauer, Councilmember  
Robert Ziprick, Councilmember

COUNCIL AGENDA: November 18, 2003

TO: City Council

FROM: Dennis R. Hallaway, City Manager 

SUBJECT: ICMA RC 457 Deferred Compensation Loan Program

## **RECOMMENDATION**

It is recommended that the City Council approve a resolution allowing the City's 457 Deferred Compensation participants to borrow funds from their account balance.

## **BACKGROUND**

Several employees have expressed a desire and a need to participate in the loan program provided for by the ICMA RC. This program allows participants to borrow funds from their deferred compensation contributions provided that certain requirements are met. The City in accordance with IRS regulations develops the requirements. The loans must be repaid through payroll deductions within five years.

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMA LINDA, CALIFORNIA, AMENDING THE ICMA RETIREMENT CORPORATION DEFERRED COMPENSATION PLAN ACCOUNT #301449 TO PERMIT LOANS

WHEREAS, the City of Loma Linda has employees rendering valuable services; and

WHEREAS, the City of Loma Linda has established a deferred compensation plan for such employees which serves the interest of the City by enabling it to provide reasonable retirement security for its employees, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, the City of Loma Linda has determined that permitting participants in the deferred compensation plan to take loans from the Plan will serve these objectives;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Loma Linda that the ICMA Retirement Corporation Deferred Compensation Plan Account #301449 will permit loans.

APPROVED, PASSED AND ADOPTED this 18<sup>th</sup> day of November 2003 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

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Floyd Petersen, Mayor

ATTEST:

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Pamela Byrnes-O'Camb, City Clerk